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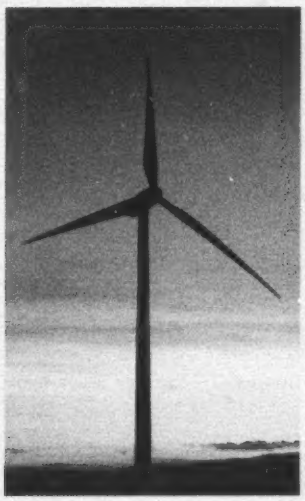

DEPARTMENTAL SUSTAINABLE DEVELOPMENT STRATEGY

2013-14

Canada Economic Development for Quebec Regions
Développement économique Canada pour les régions du Québec

Canada

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1. AGENCY VISION
concerning sustainable development

In the long term, Quebec's regions and communities will have increased their development capabilities, dynamism and prosperity in a significant, lasting manner for the benefit of their residents.

The notion of sustainable development refers to development that meets the needs of the present without compromising the ability of future generations to meet their own needs. The *Federal Sustainable Development Act* (FSDA) and the Federal Sustainable Development Strategy (FSDS), in which the Economic Development Agency of Canada for the Regions of Quebec (the Agency) participates, reflects the Government of Canada's commitment in that regard. The Agency therefore accepts the basic principle, set out in the FSDA, that "sustainable development is based on an ecologically efficient use of natural, social and economic resources and acknowledges the need to integrate environmental, economic and social factors in the making of all decisions by government."

Under the FSDA, the Agency has to prepare a departmental sustainable development strategy (DSDS) which includes the Agency's objectives and action plans, reflects its mandate and is consistent with the FSDS, contributing to the attainment of the latter's goals. This Departmental strategy is integrated with the annual Report on Plans and Priorities (RPP), and the Agency reports on it through the Departmental Performance Report (DPR).

The 2010-2013 FSDS continues to guide the Government of Canada's sustainable development activities. During 2013-2014, the government will be consulting the public regarding the second three-year cycle of the FSDS (2013-2016). This FSDS will then be finalized to provide the basis for the 2013-2014 year end performance reporting.

The FSDS goals, targets and implementation strategies are organized on the basis of four priority themes:

I. (a) Addressing climate change and air quality

II. (w) Maintaining water quality and availability

III. (n) Protecting nature

IV. (g) Shrinking the environmental footprint – Beginning with government

In line with its mandate, the Agency undertakes under Theme I of the FSDS to:
Finance projects that would, among other things, help to optimize resource use, valuing residual resources, or contribute to eco-efficiency.[1]

The Agency will thus foster industrial greening (e.g., eco-design, eco-efficiency, green energy sources, eco-building) in order to help enterprises meet new requirements (e.g., eco-certification), identify pathways for enhancing environmental performance, and seize emerging (green) sector market opportunities.

This commitment is consistent in with the mission of the Agency, which is to promote the long-term economic development of the regions of Quebec. Support for the transition toward a greener economy which presents opportunities for growth and diversification for Quebec enterprises and communities enables the Agency to promote both economic development and sound environmental practices.

The Agency is also involved in implementing Theme IV of the FSDS: *Shrinking the environmental footprint – Beginning with government*, which concerns greening of government operations.

[1] These are implementation strategies 1.1.29 and 2.1.17 of the FSDS. Implementation strategies are associated with each of the themes, goals and targets of the FSDS, and constitute the undertakings made by each of the departments for implementation of the FSDS. The Agency's undertaking to "finance projects that would, among other things, help to optimize resource use, valuing residual resources, or contribute to eco-efficiency" will contribute to attaining the following FSDS goals:
1. *Reduce greenhouse gas emission levels to mitigate the severity and unavoidable impacts of climate change;* and
2. *Minimize the threats to air quality so that the air Canadians breathe is clean and supports healthy ecosystems.*

2. Sustainable development DECISION-MAKING at the Agency

2.1 Managing sustainable development

Under the FSDA, the Agency has drawn up a departmental sustainable development strategy which contributes to its objectives while reflecting its mandate, is consistent with the FSDS and establishes links with the commitments made in its RPP.

Responsibility for managing sustainable development is shared among different committees and sectors.

EXECUTIVE COMMITTEE

The Executive Committee is responsible for collectively managing all Agency activities and advising the president on policy and management issues. Thus, members of the Executive Committee approve the Agency's Departmental Sustainable Development Strategy as well as the presentations that are given to them periodically within the course of the preparation of Reports on Plans and Priorities and Departmental Performance Reports in which information on the DSDS is integrated.

SUSTAINABLE DEVELOPMENT WORKING GROUP

The Sustainable Development Working Group assists the Executive Committee, and comprises members from business offices and the Agency's different branches. The Working Group is involved in preparing the DSDS and its members promote the Strategy in their respective settings and contribute to its implementation.

POLICY AND COMMUNICATIONS SECTOR

This Sector is responsible for preparing the DSDS, in conjunction with the other sectors of the Agency. It has to integrate the commitments made in the DSDS, particularly those stemming from the FSDS, into Agency policies and programs. It is also responsible for performance measurement, in particular related to the FSDS. It is thus mandated to integrate a systematic strategic environmental assessment process in the design stage of Agency programs, policies, initiatives and strategies, and to develop DSDS-related tools.

In implementing the DSDS, this Sector fulfils commitments with respect to the empowerment of Agency personnel concerning sustainable development (e.g., training) if required.

To ensure consistent federal intervention with respect to sustainable development, the Sector ensures interdepartmental liaison with those departments participating in the FSDS. Thus, it takes part in committees of assistant deputy ministers and directors general, and the FSDS working group.

The Communications Directorate is responsible for conveying to the staff of the Agency any relevant information or activity concerning sustainable development, in addition to informing them of measures taken for the greening of government operations.

This Directorate also handles the posting of all information concerning FSDS, the reports and the different editions of the DSDS on the Internet.

OPERATIONS SECTOR

The Operations Sector is responsible for implementing Agency programs. It includes a network of business offices across Quebec, and contributes to the implementation of the DSDS. This Sector ensures the development and tracking of projects that contribute to sustainable development.

This Sector is also responsible for applying the *Canadian Environmental Assessment Act*, 2012 (CEAA) to all projects supported by the Agency.

Finally, this Sector inputs information on projects that contribute to the FSDS into its grants and contributions management system.

CORPORATE SERVICES SECTOR

This Sector is responsible for meeting the targets for greening of Agency operations (Theme IV of the FSDS) and promoting sound environmental practices.

It is responsible for interdepartmental liaison concerning the greening of government operations, in particular with the Office of Greening Government Operations of Public Works and Government Services Canada.

This Sector is responsible for preparing the RPPs and DPRs, particularly in connection with the FSDS.

It also represents the Agency on the Federal Interdepartmental Group on Sustainable Development, which reports to the Quebec Federal Council.

2.2 Commitments on environmental assessment

2.2.1 Strategic environmental assessment

Pursuant to the *Cabinet Directive on the Environmental Assessment of Policy, Plan and Program Proposals*, ministers expect that policy, plan and program proposals of departments and agencies will consider, when appropriate, potential environmental effects.

More specifically, ministers expect a strategic environmental assessment of a policy, plan or program proposal to be conducted when the following two conditions are met:

1. **The proposal is submitted to an individual minister or Cabinet for approval; and**
2. **Implementation of the proposal may result in important environmental effects, either positive or negative.**

Departments and agencies are also encouraged to conduct strategic environmental assessments for other policy, plan or program proposals when circumstances warrant.

The Agency will apply the *Guidelines for Implementing the Cabinet Directive on the Environmental Assessment of Policy, Plan and Program Proposals*. The Agency will reinforce the application of strategic environmental assessments (SEAs), following the commitment in that regard made in the FSDS, by systematizing its SEA process and ensuring that environmental considerations are taken into account in the drafting of policies, plans and programs.

The Agency will continue to apply good practices associated with the reporting of SEA results, in line with FSDS goals and targets, thus ensuring transparent environmental decision-making.

The Agency conducted a strategic environmental assessment of the *Quebec Economic Development Program* and updated it in accordance with the *Canadian Environmental Assessment Act*, 2012 (CEAA) and the *Cabinet Directive on the Environmental Assessment of Policy, Plan and Program Proposals*.

The assessment concluded that the program's implementation was not likely to generate significant environmental effects, provided that:

- The *Canadian Environmental Assessment Act*, 2012 (CEAA) is applied to supported projects to ensure that no significant environmental effects are generated.

In addition, the conclusions of the assessment recognized that:

- this program will have positive environmental effects, by supporting the implementation of the Federal Sustainable Development Strategy. As part of this strategy, the Agency has committed to "finance projects that would, among other things, help to optimize resource use, value residual resources or contribute to eco-efficiency" to address climate change and air quality.
- this commitment will be implemented through the Agency's Departmental Sustainable Development Strategy.

2.2.2 *Canadian Environmental Assessment Act*, 2012 (CEAA)

All the projects financed by the Agency are submitted to the *Canadian Environmental Assessment Act, 2012* (CEAA). If required, the Agency makes sure to apply the requirements of the law including mitigation measures.

3. DETAILS ON STRATEGIES
for implementation of the Agency's commitment with respect to the FSDS

In line with its mandate and the FSDS, the Agency undertakes to finance projects that would, among other things, help to optimize resource use, valuing residual resources, or contribute to eco-efficiency.[2]

Under its mandate, the Agency commits to fostering industrial greening (e.g., eco-design, eco-efficiency, recycling, green energy sources, eco-building) in order to help enterprises meet new requirements (e.g., eco-certification), identify viable pathways for enhancing environmental performance, and seize emerging (green) sector market opportunities.

A. Agency Program Activity Architecture (PAA) for activities associated with the DSDS

Strategic outcome	Program activity	Program sub-activity	Internal services
Quebec's regions have a growing economy.	*Business Development* (a)	• *Entrepreneurship Support* • *Business Performance*	Governance and management support Resource management services Asset management services (g)

Agency intervention in line with the FSDS falls under the *Enterprise development* program activity.

[2] These are implementation strategies 1.1.29 and 2.1.17 of the FSDS. They contribute to the following FSDS goals:
1. *Reduce greenhouse gas emission levels to mitigate the severity and unavoidable impacts of climate change;* and
2. *Minimize the threats to air quality so that the air Canadians breathe is clean and supports healthy ecosystems.*

B. Brief description of programs to which the DSDS applies

The DSDS is implemented through the *Quebec Economic Development Program.*

The *Quebec Economic Development Program* (QEDP) supports the economic development of businesses and regions.

Through this program, the Agency promotes business development by helping to support entrepreneurship and business performance either directly or through support organizations.

More specifically, the Agency can support activities aiming to:

- create or start a business
- plan a business succession
- improve a business productivity
- innovate, adopt a technology, or ensure technology transfer
- market or export
- structure a network of businesses

The Agency supports the development of the potential of Quebec regions' economy by helping communities in their efforts to mobilize and generate investment in their regions.

More specifically, the Agency can support activities aiming to:

- prepare a development strategy
- equip a region with a community economic facility
- promote a region

The Agency also supports economic activity in communities on an ad hoc basis to stabilize or strengthen their economies.

More specifically, the Agency contributes to rehabilitate and improve existing community infrastructure.

Through this program, the Agency supports various projects contributing to sustainable development.

Examples of projects involving direct assistance to enterprises contributing to sustainable development:

Support for development of an innovative technology for improving air quality

- Pilot testing of a technology for the capture and treatment of greenhouse gas (Québec City)[3]

Eco-certification of SMEs' products intended for export

- Raising the awareness of wood processing firms with respect to the integration of environmental management practices and development of a generic data base on the regional forest industry (Saguenay–Lac-Saint-Jean)[4]
- Restoration and rehabilitation of peatlands (Bas-Saint-Laurent)[5]

Support for production and commercialization of innovative products for environmental protection

- Increase in production capacity of beneficial insects for plant protection and commercialization of the process (Montérégie)[6]

[3] http://www.dec-ced.gc.ca/eng/media-room/news-releases/2011/03/2847.html
[4] http://www.dec-ced.gc.ca/eng/media-room/news-releases/2010/06/2591.html
[5] http://www.dec-ced.gc.ca/eng/media-room/news-releases/2011/01/2803.html
[6] http://www.dec-ced.gc.ca/eng/media-room/news-releases/2012/02/3145.html

C. Linkage between the Agency's implementation strategy and FSDS targets

The Agency's commitment to "finance projects that would, among other things, help to optimize resource use, valuing residual resources, or contribute to eco-efficiency" ties in with Theme I of the FSDS: *Addressing climate change and air quality*. Fulfilment of this undertaking should contribute to the attainment of FSDS targets 1.1 *Climate Change Mitigation* and 2.1 *Air Pollutants*. The Agency's grants and contributions management system is adapted so as to collect information on projects contributing to the attainment of these goals.

D. Overview of performance expectations with respect to sustainable development

Strategic outcome: *Quebec's regions have a growing economy*

Program activity: *Business development*

Program sub-activity: *Entrepreneurship support*

Targeted result	Performance indicator	Target	Contribution to an FSDS target
Businesses are started-up or transferred in a sustainable development perspective	Number of businesses that improve their performance in a sustainable development perspective[2]	Maintained or increased number of projects supported or amount of expenditures (2013-14 versus 2012-13)	1.1 Target: Climate Change Mitigation 2.1 Target: Air Pollutants

Program activity: *Business development*

Program sub-activity: *Business performance*

Targeted result	Performance indicator	Target	Contribution to an FSDS target
Businesses improve their performance in a sustainable development perspective	Number of businesses that improve their performance in a sustainable development perspective[3]	Maintained or increased number of projects supported or amount of expenditures (2013-14 versus 2012-13)	1.1 Target: Climate Change Mitigation 2.1 Target: Air Pollutants

[2] For example, support to activities related to pollution prevention or energy eco-efficiency measures (enterprises supported which adopt technologies, integrate processes or acquire equipment that will help them reduce their use of a raw material (including water) or energy or reduce production of waste) including eco-certification, or activities related to the development or commercialization of environmental products, services and technologies.

[3] Ibid

PLANNED ACTIVITIES CONDUCIVE TO DSDS IMPLEMENTATION

In order to implement the DSDS, the Agency will conduct the following activities:

Information (within the Agency)
Dissemination of information documents and tools concerning sustainable development
Dissemination of information concerning sustainable development on the Intranet and in the Agency's in-house newsletter
Co-ordination and liaison
Participation in committees of assistant deputy ministers and directors general, and the FSDS working group
Participation in meetings of the Federal Interdepartmental Group on Sustainable Development (FIGSD)
Reporting
Definition of performance measurement indicators (SDS) for determining which projects supported contribute to the FSDS
Preparing the RPPs and DPRs taking the FSDS into account
Strategic environmental assessment (SEA)
Conducting an SEA when necessary pursuant to the *Cabinet Directive on the Environmental Assessment of Policy, Plan and Program Proposals*
Systematization of the SEA process by the Agency
***Canadian Environmental Assessment Act*, 2012 (CEAA)**
Application of the *Canadian Environmental Assessment Act*, 2012 (CEAA) to projects supported by the Agency
Communications
Update the section concerning sustainable development on the Agency's Website
Program funding and delivery
Identification by the business offices of certain types of projects contributing to sustainable development

4. THEME IV OF THE SFDS:
Shrinking the environmental footprint – Beginning with government

The Agency also undertakes to enhance the environmental performance of its operations by contributing to the attainment of five greening of government operations goals from the *Federal Sustainable Development Strategy.*

The additional tables on greening of government operations (GGO) provide details concerning Agency intervention with respect to each of these goals. They are part of the Agency's RPP, and are intended for departments and agencies which undertake to comply with the *Federal Sustainable Development Act*, the *Policy on Green Procurement* and the *Policy Framework for Offsetting Greenhouse Gas Emissions from Major International Events.*

Link to the Federal Sustainable Development Strategy